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PARISH PRESIDENT

COREY FAUCHEUX
DIRECTOR

ST. CHARLES PARISH


DEPARTMENT OF ECONOMIC DEVELOPMENT & TOURISM

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TO: V.J. St. Pierre, Jr., Parish President

FROM: Corey Faucheux,  Director of Economic Development & Tourism

SUBJECT: **2011 ANNUAL REPORT**

2011 began with ominous indicators. Unemployment was at a 16-year high and the parish's primary economic drivers, the chemical and oil refineries, continued to delay major expansion plans and trim contract workforce. This caused many local vendors to reduce payroll, furthering local economic doldrums. The residential construction sector, a major influence in our local labor market and small business community, was at a standstill with only two (2) housing starts recorded in January. However by year's end, a dramatically different economic picture prevailed. The local Unemployment Rate dropped two (2) full percentage points, remaining well below national and statewide averages. More importantly, approximately \$3 billion of capital investment projects were either underway or nearing completion, yielding hundreds of future job opportunities for local residents and substantial sales tax revenue in public coffers. Never satisfied, the Department continued to adjust and implement marketing strategies targeting key business sectors and tourists, while expanding services supporting local entrepreneurship and facilitating small business development.

The Department of Economic Development and Tourism accomplished much success in 2011. Looking forward to 2012, a diverse mix of investments by our major economic drivers combined with growth projects by our light-industrial and commercial sectors will generate impressive economic results for St. Charles Parish. A closer look at the accomplishments realized in 2011 highlights the achievements posted by the Department.

Business Attraction

By the end of 2011, Inspectorate America was nearing completion of its \$4.5 million, 20-employee testing laboratory in James Business Park. MR Pittman Construction

Company began constructing its new \$3 million, corporate headquarters in St. Rose. Magnolia Holdings nearly completed its new 16,000 sq. ft., \$3 million corporate headquarters on Airline Drive in St. Rose. Schonberg & Associates commenced work on its Ashton Manor Assisted Living and Memory Care in Luling. The \$9 million, 60-apartment facility will cover about 55,000 sq.ft. and employ fifty (50). Developers began work on a new La Quinta Inn and Suites on Highway 90 in Boutte. The hotel is expected to cost approximately \$4 million and will offer five (5) full-time and a handful of part-time jobs.

The Department continued to refresh its marketing efforts in 2011. In October, the Department launched iSCP iPhone app. The app gives users fingertip access to economic development and tourism data. The Android version of the smartphone app will be launched in early 2012. The Department continued its successful "Fam" or Familiarization Tour campaign, hosting site selectors and industry media last spring. Also completed in 2011 was a new marketing study commissioned jointly by our RREDI (River Region Economic Development Initiative) stakeholders. The report will guide marketing and business recruitment efforts in the River Parishes over the next few years.

Business Creation, Retention & Expansion

Due to historic low natural gas prices, local expansion projects by our heavy industrial sector dominated headlines last year. Nearly \$3 billion of expansion projects were under construction in 2011. Valero Energy Corporation topped the list with almost \$2 billion of capital improvements occurring at its Norco facility. Valero projects include installation of a new, \$1.2 billion hydrocracking unit, a \$400 million biofuels refinery and two (2) new hydrogen plants, valued at nearly \$200 million each. These Valero projects will employ thousands during construction and approximately 100 new permanent positions upon completion. Air Products continues installation of its \$187 million hydrogen production unit at Monsanto's Luling facility. The project is expected to be finished by the summer of 2012 and will employ 6-8 full-time employees. Dow Chemical announced over \$500 million of expansion projects in Taft. The largest is a re-start of its ethylene cracking unit. IMTT is nearing completion of a \$50 million expansion to its facility in St. Rose. Motiva Refining began an \$80 million expansion of its refinery in Norco. Also underway are about \$17 million of capital improvements at Bunge's facility in Destrehan. Miscellaneous capital additions at various local, heavy-industrial facilities account for an additional \$30 million in capex for 2011.

The Department continued efforts to grow the Edible Enterprises Food Technology Center in Norco. The Department accepted the donation of all of the leasehold improvements and kitchen equipment from the River Parishes Community Development Corporation. The Department also assisted in the marketing of the facility and worked to get Department of Health and Hospitals approval to outline a plan which will allow caterers to utilize the facility. By the end of 2011, twenty-four (24) entrepreneurs from nine (9) different parishes were enlisted in the program. In another effort to expand opportunities to local small business owners and entrepreneurs, the Department reached an agreement with the New Orleans Office of the Louisiana Small Business

Development Center (LSBDC). Beginning in 2012, the LSBDC will have a satellite office on the West Bank of St. Charles, or a "Small Business Resource Center," in order to provide individualized counseling, seminars, and workshops to assist existing and prospective small business owners.

Economic Development Council

In 2011, the Economic Development Council (EDC) continued its mission of overseeing the planned growth and development of the parish. The EDC undertook several matters intended to strengthen local economic conditions.

Projects initiated or completed by the EDC

- Continued participation in the St. Charles Business Association Business and Craft Showcase at Hahnville High School.
- Members continue to serve on the St. Charles 2030 St. Charles Parish Comprehensive Plan Support Committee.
- Members participated in a study conducted by NCHEMS (National Center for Higher Education Management Systems) as a result of a Legislative Resolution, concerning the South Louisiana Technical College/River Parishes Campus.

EDC Actions Taken

- At the March 16, 2011 meeting, the EDC membership voted to support both of the St. Charles Parish Hospital April 30, 2011 ballot initiatives. The first initiative called for the refinancing of existing bonds, while raising current Ad Valorem millage rates by .44 mills. The second initiative called for the issuance of \$3,000,000.00 of General Obligation Bonds.
- At the August 17, 2011 meeting, the EDC membership voted to send a letter to Secretary Shaun Donovan of the U.S. Dept. Of Housing and Urban Development in support of St. Charles Parish's application to obtain funding through the HUD Community Challenge Planning Grant Program to aid in the development of revitalization plan for LA 52 (Paul Maillard Road). A letter of support was sent to Secretary Donovan on August 27, 2011.

Guest Speakers for the Economic Development Council Meetings throughout the year included the following:

January 19, 2011

Bill Bailey, New Orleans Hornets, Sr. Vice President Ticket Sales and Service
Topic: New Orleans Hornets Overview

February 16, 2011

Chelsea Lopker, Edible Enterprises
Topic: Edible Enterprises Update

March 16, 2011

Fred Martinez, St. Charles Parish Hospital

Topic: St. Charles Parish Hospital Tax Referendum

April 20, 2011

Cullen Curole, South Central Planning & Development Commission

Topic: Loan Programs

May 18, 2011

Dino Paternostro, GNO, Inc., Senior VP of Public Policy

Topic: Legislative Review

August 17, 2011

Scott Whelchel, Director of the St. Charles Parish Department of Emergency Operations and Homeland Security

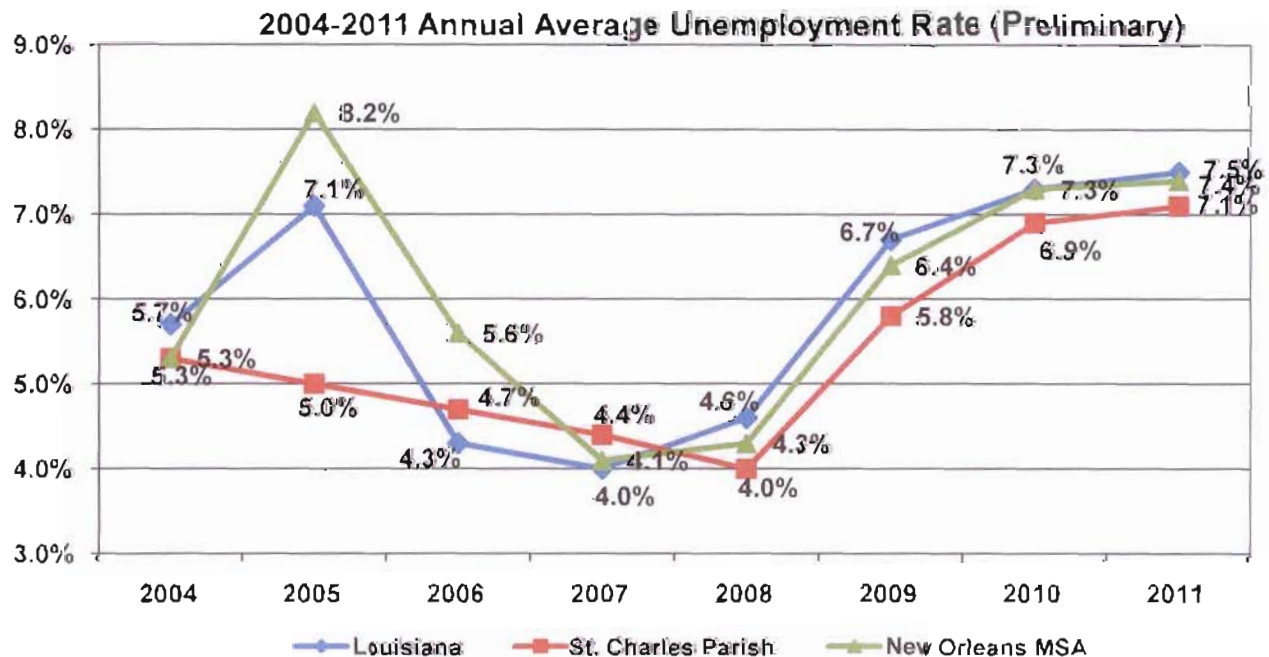
Topic: Hurricane & Homeland Security Awareness

Cindy Poskey, Campus Administrator, South Central Technical College/River Parishes Campus

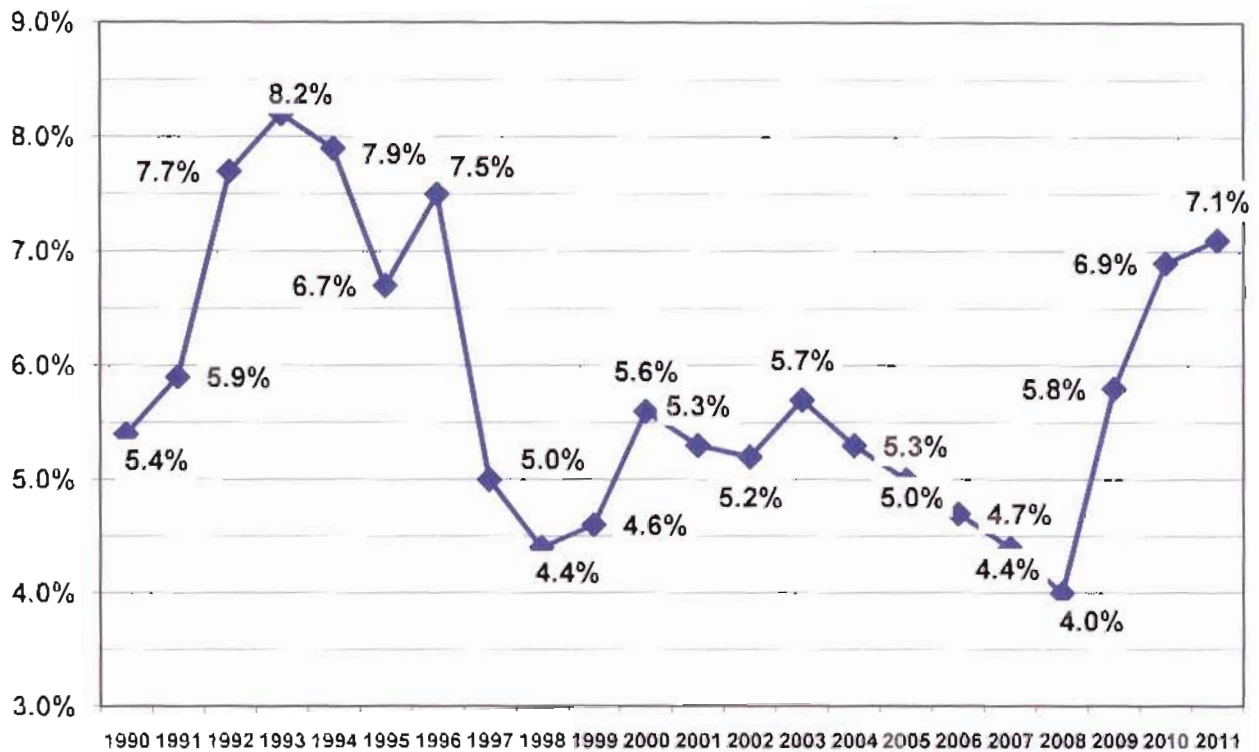
Topic: State Study/Re-designating Technical Colleges to Community/Technical Colleges

Economic Indicators

The Parish's 2011 average annual Unemployment Rate was 7.1%, up .2% from 2010. However the local Unemployment Rate continued to be lower than the statewide and regional averages.



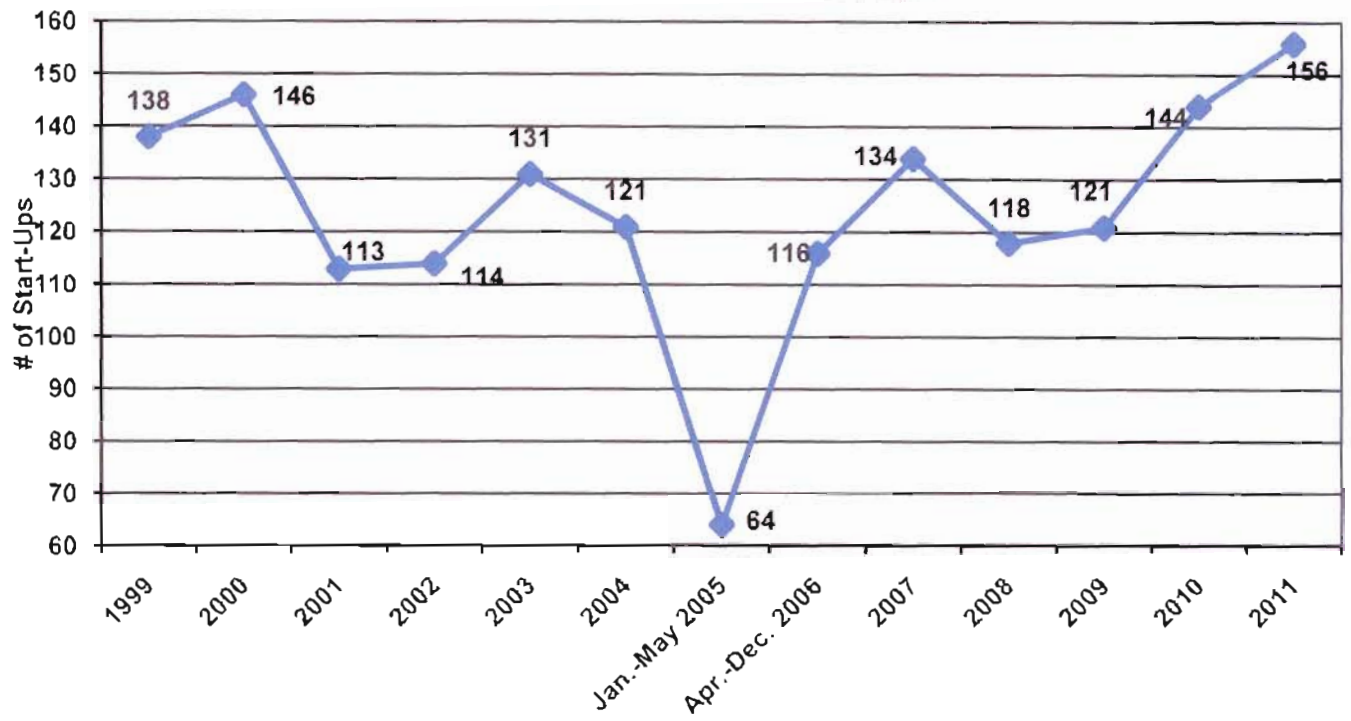
**St. Charles Parish Annual Average Unemployment Rate
(Preliminary/Not Seasonally Adjusted)**



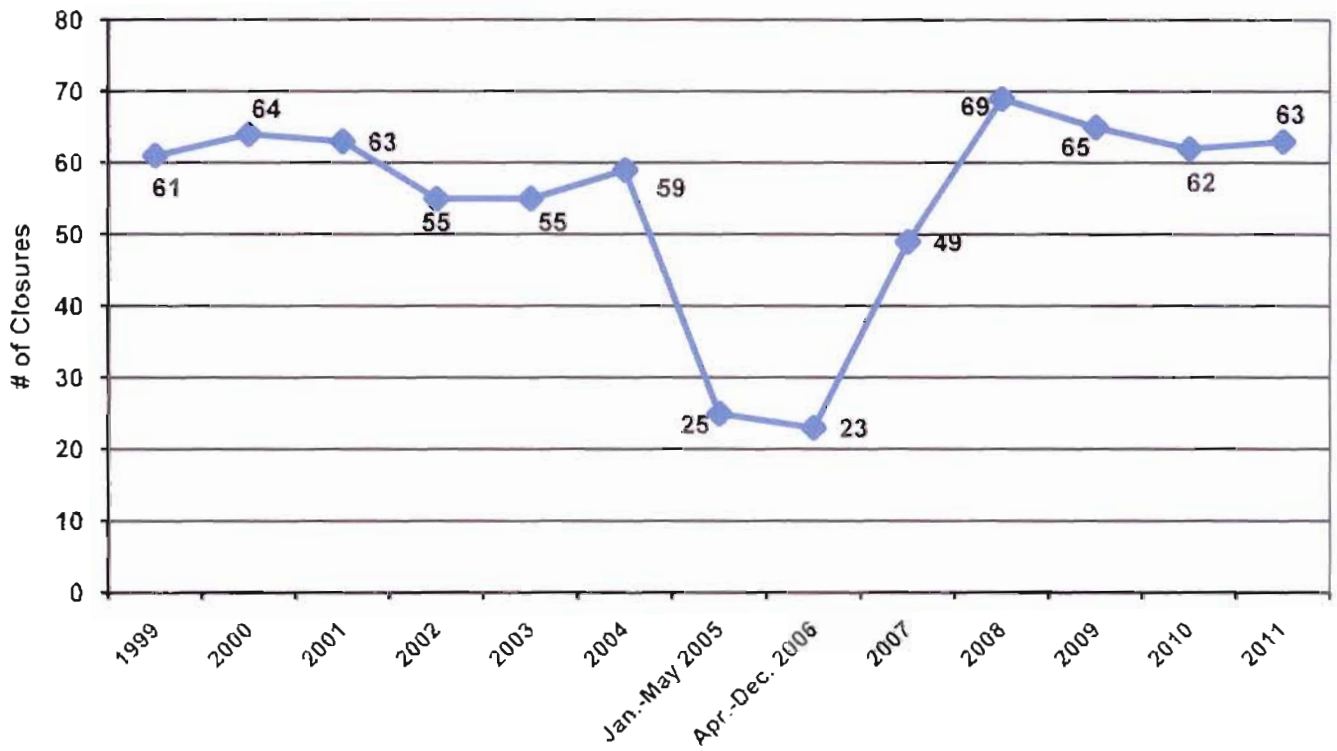
The Construction sector showed signs of revival in 2011. Forty-five (45) commercial construction permits were issued by the Department of Planning and Zoning, up 12.5% from 2010. Although improving, housing starts continued to lag historic averages. There were sixty-one (61) residential permits issued in 2011, four (4) more versus the previous year. Seventy-seven (77) Home Occupation permits were issued in 2011 down two (2) from the total registered in 2010. Significantly more Change of Use/Occupancy (COU) permits were issued last year. There were 127 COU's issued in 2011, up nearly 55% from 2010.

The Sales/Use Tax Office recorded 156 new businesses in 2011, up twelve (12) or 8%. Sixty-three (63) business closures were posted by the Sales Tax Office, an increase of one (1) from the previous year.

1999 - 2011 Business Start-Ups



1999-2011 Business Closures



In 2011, the Department of Economic Development and Tourism received a total of 576 information inquiries, including sixty-eight (68) requests for property (land & building). Property requests accounted for a 33% increase compared to 2010, a key sign that business activity is rebounding.

Tourism

The local tourism industry continues its recovery. Destrehan Plantation, the Parish's most popular tourist attraction, saw its annual visitor total reach approximately 68% of its pre-Katrina levels. In 2011, 28,177 people visited Destrehan Plantation, up 35% from 2010. The Department maintained its successful partnership with the German Coast Farmers' Market (GCFM). The GCFM was named Louisiana's Favorite Farmers Market (for the second consecutive year) and ranked 8th in the United States for small markets, by American Farmland Trust. More than 80,000 people across the country voted in the America's Favorite Farmers Markets contest, which recognizes the farmers' markets that best rally their patrons on the importance of farmland and local farmers. In 2011, 35,127 patrons visited both GCFM locations, a decrease of 8% from the year prior. The East Bank Market recorded stable visitor counts, while the West Bank market visitor total declined 18%. GCFM officials believe that the loss of some key vendors resulted in lower shopper turnout. The GCFM 2011 Annual Report is attached. The Tourist Information Center assisted 171 visitors in 2011, down thirty (30) from 2010. The biggest decline was in the foreign visitor category, which saw a decrease of 55%. However, about 11% more in-state tourists visited the Center last year than in 2010.

Annual Report 2011 – German Coast Farmers' Market
January 31, 2012

In 2011, German Coast Farmers' Market continued to operate at two market locations. The 2 markets were open for a total of 101 days, with closure on 3 days. Both sites are provided at no charge by the owner.

The opening of the West Bank site continues to be a popular addition to market location and time, and the monthly Arts Markets, while small, continue to bring new customers to the market.

As GCFM received its 501(c) (3) Federal non-profit status in 2011 (quite an achievement as many farmers' markets have not been able to qualify in this category), we have hopes that this will now allow the market to be more active in the search for grants and sponsorship.

The German Coast Farmers' Market was named **Louisiana's Favorite Farmers Market** (for the second consecutive year) and ranked 8th in the United States for small markets, by American Farmland Trust. More than 80,000 people across the country voted in the this year's America's Favorite Farmers Markets contest to see which of America's farmers' markets could best rally their patrons on the importance of farmland and local farmers.

While both markets continue to be successful and provide business opportunities for small entrepreneurs, due to the general economic downturn, the year 2011 still has not been one of the best years for the German Coast Farmers' Market (GCFM).

Market Data

East Bank patron count for 2011 was 21,114 and West Bank patron count was 14013 for a total of 35,127 (a decrease of 8% over 2010). Self-reported vendor sales at both markets totaled \$217,150.75 in 2011 (decrease of 14% over the previous year). Health and disaster issues for some of our most productive vendors have taken a toll, resulting in lower total sales at the market.

Per capita spending on the east bank has shown a decline from \$5.61 in 2010 to \$5.21 in 2011 (a decrease of .7% from 2010) and from \$7.90 in 2010 to \$7.65 in 2011 (a decrease of 3% from 2010).

While the general state of the economy continues to hamper spending, we are optimistic that most of our vendors will hold on and we hope that as 2012 progresses, vendor sales will return to the strength of previous years.

Cooperative Endeavor with St. Charles Parish

GCFM continued to be provided with vital assistance from St. Charles Parish, with a Cooperative Endeavor Grant of \$30,000. No farmers' markets in the US are able to sustain themselves without this type of support.

Market Venues

Strong community support continues to be demonstrated by the provision of market venues at no charge at both market sites. GCFM is grateful to Ormond Plantation and St. Charles Plaza for their support in this fashion.

Market Staffing & Volunteers

- Volunteers are the heartbeat of the market. Over 2946.25 volunteer hours were provided in 2011, in market booth, board management, financial management, program development, marketing and advertising, correspondence, meetings, volunteer scheduling and other activities. At minimum wage of \$7.25 per hour, this computes to over \$21,360 donated in volunteer time. Volunteer manpower continues to be a challenge, both in finding board members and volunteers to work on market day. GCFM has recruited both new board members and new market volunteers throughout the year and continues to look for people to serve in both these areas.
- As always, The Board spends considerable time in reviewing our By-laws, Market Rules and Regulations, and Arts Market Regulations to insure that they reflect current market operations.
- The market has only one employee, the Market Site Coordinator, and has contracts for services such as the market newsletter, website and publicity, and bookkeeping. The excellent service provided in these areas has been a real boost to market operations and we cannot provide enough praise for the people who carry out these operations.

Grants, Seedling Cards & Donations

GCFM has been active in applying for and receiving grants and would welcome the ability to work with the Grants Officer for SCP and future grants. We have waited to begin this active search for grants until our own federal non-profit status is confirmed.

- Grants received totaled \$500
- Donations totaled \$85.80
- Seedling Cards to support the market totaled \$400

Activities

- **Special Activities** - GCFM has made available special activities on almost all market days, having produced a very exciting calendar:
 - Live Musical Performances
 - Crafts
 - Children's Activities
 - Library Events
 - Book Signings
 - Special Cooking Events
 - Cookbook Exchange

- Master Gardener's Plant Exchange and other master gardener events
- Pony and Hay Rides and Petting Zoos
- Parades and Costume Contests
- Other activities (which are itemized by date on the quarterly reports provided to the Economic Development Department of SCP).

Market Website and Grapevine (Market Newsletter) and Advertising

These two elements continue to be very visible and active and are very effective. The Market produces an e-newsletter twice a week which is attractive, informative and an important tool for enticing people to visit the markets. Patrons continue to provide excellent feedback on receiving their newsletters. We solicit email addresses at every market and at any other venues where the market has a presence. GCFM has actively pursued increasing the newsletter email list and this strategy has proved to be a very effective marketing tool.

With a new format for the newsletter including increased information, seasonal recipe index which is now located on website and other attractive links, the newsletter has become even more useful to our customers.

Our marketing and communications specialist has been very active in using social media and advertising, and we see the payoff in the statistics below.

	2010	2011
Year-end Website visitor count (11,467 increase)	34,635	46,102
Year-end Unique Visitors to Website (1,644 increase)	6052	7696
Year-end Active E-newsletter Subscribers (34% decrease – just about replacing the # of bounce backs & unsubscribes with new subscribers)	2009	1975
Year-end Facebook Fan “likes” (374 increase)	201	575

Annual patron survey 2011 = 242 online surveys + 102 paper surveys = 344 responses

Resident Business & Entrepreneurship Program

GCFM continues to work to increase vendor selling opportunities by developing relationships with the Edible Enterprises Food Incubator Program (EEFIP), local restaurants, hospitals, retail outlets and the St. Charles Parish Public School System. GCFM refers all vendors who would find this service useful to the Edible Enterprises for information and consultation.

Tourism

The market continues to be a source of tourism information for visitors, providing information to local attractions, historical sites, and restaurants. A Heritage Education brochure has been printed and is distributed at the markets. Books on local history and cooking are sold at the Welcome Booth. Volunteers at the market are often called upon to direct customers to local resources, including genealogical and historical societies and other organizations.

The Pictorial History was available at the market for as many days as possible, with book signings by the authors. The market continues to be an outlet to make this book available for sale to visitors and residents alike.

Board members have contacted touring groups and have had interest from one group in bringing tours to the Saturday market as part of their River Road excursion.

Senior Nutrition Program

La. Department of Agriculture & Forestry has signed up farmers and patrons for this program since the program began in July 2008 and the program continues to be popular.

In St. Charles Parish, the German Coast Farmers Market took in 427 coupons this year with 762 coupons distributed to 127 seniors. Each coupon is worth \$4, so seniors spent a total of \$1708 for the 427 coupons.

Seed Grant Program

GCFM began to offer growers small grants of \$50 for tryouts of new fruits and vegetables not currently available at the market. The County Agent is assisting the growers in their selection of plants and will help them develop and report on trial results.

Taste of the Seasons

This program is provided in cooperation with LSU AgCenter. Its goal is to provide Nutritional educational Programs using the produce featured at the Farmers Market. Associate Extension Agent Deniese Zeringue provides nutritional educational programs every second Saturday of the month, featuring produce and citrus offered for sale at the Farmers Market, tasting and fact sheets are provided. Educational demonstrations and fact sheets have included:

- Nutritional school lunches and snacks
- Preparation of Fresh Produce
- Benefits of consumption of fresh, local produce and products

2011 Schedule

February	chocolate covered strawberries
March	cabbage slaw tastes
April	marinated cucumbers with onions
May	cucumber and carrot tastes
June	carrot tastes
July	Food Preservation Contest, featured Eggs with egg salad tastes on crackers

August	Home made granola tastes, back to school snacks, blue berries, grapes, carrots, strawberry tastes
September	Zucchini cake tastes
October	Broccoli Slaw tastes
November	Sweet Potato chips tastes

Vendor Recruitment & Development

- GCFM actively continues to recruit additional vendors from our regional base. The market provides information targeted to increasing sales for vendors, including marketing techniques as well as basic information which vendor members of the market need.
- GCFM continues to provide information to our vendors regarding all the permits required to become members – both from SCP taxing authorities, P & Z Dept., and health authorities.
- Health and safety are always one of our priorities and vendors are monitored regarding safe preparation and handling.

Challenges for 2012 and Beyond

- Recruit and increase both board members and market day volunteers
- Work with P & Z, taxing and health authority to develop a comprehensive and streamlined procedure for vendor permits to qualify for market membership
- Work with SCP grants officer on possibility of assistance with market grants
- Review physical requirements at each market (electricity, safety, etc)
- Assist vendors in broadening their offerings, especially in the farming area
- Continue to build our customer base
- Continue to search for new vendors to fill gaps in product offerings
- Continue to provide information to residents and tourists about SCP attractions
- Develop a plan for an all weather venue for at least one of the markets (either in the same location or a different location)

The Board of GCFM is very much looking forward to an improved year in 2012. We continue to meet with enthusiasm from both vendors and customers and feel that our efforts to bring farm fresh and value added products to the community and help small businesses develop and thrive are really paying off.

We could never do it without the support of our parish and the Economic Development Department. We hope this partnership will continue to grow and sustain the market.

Rev. January 30, 2012